



# **INFORMATIONAL MEETING**

**POTENTIAL PROJECT FUNDING OPPORTUNITIES  
THROUGH EPA FY 2010/2011 CAPITALIZATION**

**GRANTS**

**May 26, 2010**

# CWSRF ARRA Program Update

- Where are we now?
  - Two of our 48 projects are complete
  - The remaining projects are in varying stages of construction
  - One of our ARRA projects is nearing a deal with USDA and will yield its \$2.875 million in ARRA funds. ETA - ?
  - We will use those funds to make projects that were bid over budget whole and fund the next series of projects on our ARRA priority list
- Continuing Issues
  - DB, BA and Reporting

# CWSRF ARRA Program Update (cont.)

- Going Forward
  - EPA OIG will be paying NH a visit soon. They will review DES ARRA procedures and make field visits. Please, please, please, take what you learn here, review your project and prepare for the visit
  - Insure receipt of contractor BA certifications at the completion of construction. Loan Recipient is also required to submit
  - Quarterly MBE/WBE Reports are required during construction
  - No disbursements will be made between June 4 and July 11, 2010 due end-of-the-year accounting book closing. We will process them.
  - Remember Single Audit Act Requirements – See your loan agreement for details
- Call us if you have any questions
  - See Contact List

# DWSRF/ARRA UPDATE

- Total Number of Loans: 51
- Total amount of dollars: \$37,440,000
- # Projects completed: 14
- Total dollars disbursed to date: \$9,437,999

# Monitoring & Reporting

- Jobs reporting (Owner, monthly)
- Certified Payrolls (Contractor, weekly)
- MBE/WBE (Owner, quarterly)
- Buy American Certification
- Financial Audit (Owner, if necessary)

# Completion of ARRA Project

- Buy American Certification (Owner, Contractor)
- Certificate of Substantial Completion
- Final Inspection (DES)
- MBE/WBE Final Report ( Owner)
- Financial Audit (Owner. If necessary)

# Davis Bacon Wage & Reporting Issues

- NH Office of Economic Stimulus (OES)
- NH OES Assistance & Oversight
- SRF Compliance Issues
- Municipality Responsibilities

# NH Office of Economic Stimulus

Governor Lynch created NH OES to make certain that New Hampshire and its citizens receive maximum benefits from the federal recovery legislation while ensuring state agencies are coordinating their efforts and complying with all requirements of the federal law.



# NH OES Assistance

- DB Training customized to the specific project and expertise level of the sub-recipient
- Sub-Contractor training
- DB Resources & Tools to assist in day-to-day compliance at the operations level
- DB Research & Resolution of day-to-day questions that may develop

# Oversight: Reviews & Audits

- Site Visits
- Certified Payroll Reviews
- Worker Interviews
- Required Site Postings
- Discrepancies and Corrective Actions

# Compliance Issues-Reporting

- Missing Apprenticeship Agreements (AAM 59)
- Missing Payrolls
- Incorrect OT Calculation
- Not understanding the definition of “Bona Fide Fringe”

# Compliance Issues-Reporting

- Sole Proprietors listed as Owners (AAM 50)
- Using classification and rate from a Wage Determination not applicable to project
- Incorrect Wage Rates

# Compliance Issues-Reporting

- Work class not listed in wage determination (conformance)
- Work class not listed to match wage determination (Operator)
- Work Class “Salary”

# Municipality Responsibilities

- Require that a conformance be requested for any class of laborers or mechanics, which is not listed in the wage determination and which is to be employed under the contract.
- Ensure the collection of all contractor payrolls within 7 days after the regular paydate. (29 CFR 3.4)
- Preserve Original Certified Payrolls for a period of 3 years from the date of completion of the contract

## Contact Information:

Kathie Bourret, Compliance Review Officer

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603-856-5407

NH Office of Economic Stimulus

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# CWSRF OPPORTUNITIES FOR NEW PROJECT FUNDING

- \$20 million EPA Capitalization Grants for both FY2010 and FY2011 – Requires 20% State Match – We don't yet have it.
- CWSRF will give the Max \$10 million in Principal Forgiveness Subsidy each year but there are conditions
- Subsidy for each Priority Project Will Range Between 20% and 30% based on Affordability Factors



# CWSRF CONDITIONS

- Affordability
  - Target, as priority, subsidy to communities that could not otherwise afford an SRF loan. MHI will be an important factor in ranking projects and determining the amount of subsidy
- Sustainability
  - Preference given to projects that are sustainable
    - Repair, replace and upgrade existing infrastructure over projects to enhance or accommodate growth
- Green Project Reserve
  - 20% of EPA Grant for Green projects
    - Energy efficiency, water efficiency, environmentally innovative projects
- Davis Bacon applies to SRF Loans made before 10/1/2010; After 10/1/2010?
- Additional Reporting Requirements by DES

# GOING FORWARD for FY 2010

- CWSRF will announce a call for Loan Pre-Applications to be Submitted between June 14 and July 30, 2010
- Two separate Priority Lists:
  - Traditional Water Pollution Control Projects - \$16 Million
  - Green (Water Efficiency, Energy Efficiency, NPS, Environmentally Innovative) - \$4 Million
- CWSRF Program to Develop Rating Criteria before July 30, 2010. Criteria will include Project:
  - Affordability
  - Sustainability
  - Environmental Benefit
  - Other Criteria

# CWSRF GOING FORWARD for FY 2010 (cont.)

- Projects will be Rated and Ranked Early August 2010
- Draft Project Priority List and Intended Use Plan (IUP) Developed
- Public Meeting on Priority List and IUP in Late August 2010
- Apply for Capitalization Grant as soon as Match for Grant Available
- Begin Finalizing Loan Agreements Once Grant is Available

# 2010 Appropriation

\$13,573,000 for NH DWSRF

\$2,714,600 Required Match (20%)

\$1,054,000 Currently Available for Match

\$5,270,000 Available for NH without additional  
match

# 2010 Grant Conditions

- Provide a minimum of 30% in additional subsidies
- Provide at least 20% of funding to projects that address green infrastructure, water or energy efficiency improvements, or environmentally innovative projects

# Ranking Criteria for 2010

- Water Quality violations
- Quantity/storage deficiencies
- Treatment/Design deficiencies
- Capacity development
- Green Project Reserve
- Interconnection
- AFFORDABILITY

# Subsidy for 2010

- PWS MHI must be below State MHI (\$50,246)
- $\text{Water rate} / \text{PWS MHI} \times 100 = \text{Ratio}$
- Ratio of 1% or higher qualifies for subsidy

# Proposed Subsidy for 2010

<u>Ratio</u>	<u>Subsidy</u>
1.0 – 1.4	30%
1.5 – 1.9	35%
2.0 – 2.4	40%
> 2.5	45%



# Green Project Reserve (GPR)

- Goal of 20%
- Types of projects:
  - Green Infrastructure
  - Water or energy efficiency
  - Environmentally innovative

# Green Project Reserve

- Categorical Projects
- Projects that require Business Case

# CWSRF Contacts

- CWSRF General Questions
  - Paul Heirtzler (271-2001)
- Loan/Disbursement Questions
  - Beth Malcolm (271-2978)
- Design/Procurement Questions
  - Steve Roberts (271-2980)
- Construction Questions
  - Franz Vail (271-2903)
- Jobs/Payroll Reporting Questions\*
  - Jen Drociak (271-3307)
  - \* Be nice to her!